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December Medicare D Column  
Lt. Governor André Bauer

### **Beware of Scams and Aggressive Marketing Techniques**

The Medicare Part D prescription drug benefit that opened for enrollment in November represents a tremendous opportunity for many people who lack prescription drug coverage. Unfortunately, the enrollment period has also presented an opportunity for a few bad actors to try and take advantage of a situation where people are unsure of the ground rules. The federal officials at the Centers for Medicare and Medicaid Services have fielded numerous complaints from around the country about potential frauds and scams related to the new benefit.

In some cases, the people trying to take advantage of this situation are out-and-out con artists posing as representatives of legitimate insurance companies, the Social Security Administration, or Medicare to try and get people to provide them with personal information such as bank account or social security numbers.

Don't fall for it South Carolina. Keep these tips in mind when dealing with solicitations about the new drug benefit:

- Insurance agents selling Medicare drug coverage plans cannot come to your home uninvited to try and sell you on a plan. This is true whether they work for a particular insurance company, or they are an "independent agent" selling multiple products or policies on commission. Let me say that again – it bears repeating, Medicare rules DO NOT allow insurance agents to come to your home unless you've made an appointment for them to come by. If someone knocks on your door and then tries to sell you a Medicare drug plan, that person is either a con artist just trying to take your money, or it's a real insurance agent who isn't playing by the rules that the federal government has established.

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- Medicare guidelines say, "Prescription drug plans shall not conduct door-to-door solicitation or marketing prior to receiving an invitation" to a beneficiary's home. Insurance companies that allow their representatives to engage in such practices can face heavy sanctions from the Centers for Medicare and Medicaid Services (CMS).
- Also, some states have reported to CMS instances of agents offering people cash bonuses to sign with a particular plan. The marketing guidelines for insurance companies prohibit cash payments to beneficiaries.
- Insurance company representatives also cannot enroll you into a drug plan or ask you to pay for a drug plan over the telephone, unless you are adding prescription drug coverage to a Medicare Advantage Plan or other Medicare Health Plan you already have. If someone asks you to pay for your prescription plan over the telephone using a credit or debit card, beware! It's against the rules and it could be a scam.
- The same is true of the Internet. Insurance companies cannot ask for payment over the Internet. If you enroll online, the company must send you a bill.
- Signing up for Medicare prescription drug benefits is FREE. If someone tries to charge you for filling out enrollment paperwork or an application, it's a SCAM. You should report it to your local police or Sheriff's office.
- Medicare prescription drug coverage under Part D is voluntary: Medicare's new prescription drug coverage will help millions of people with the cost of their prescription drugs, but you don't have to sign up for it if you don't want to. Even if you don't choose one of the new prescription drug plans, you won't lose your coverage under Medicare Part A or Part B. If anyone tries to tell you that you do have to sign up, they're wrong.
- And last but not least, this often repeated piece of advice also bears repeating one more time: Whether it's for Medicare drug coverage, or anything else, don't share your account numbers with anyone over the telephone. If anyone contacts you and asks for your bank, checking, savings, credit card or investment account numbers, don't give them up.

It's important to note that the vast majority of the insurance agents and companies offering Medicare prescription drug plans in South Carolina are making every effort to play by the rules. They want your business, and healthy competition between these companies for your healthcare dollar is helping to keep premium costs for these plans down. But you've still got to be careful, and be sure of who you're dealing with.

Contact a representative with our I-CARE program (Insurance Counseling, Assistance and Referral for Elders) if you have any questions. You can reach them through the local Area Agency on Aging that serves the county you live in, or by calling the Lt. Governor's Office on Aging in Columbia at 1-800-868-9095.